



Highlights of [GAO-06-627](#), a report to congressional requesters

COMMUNITY SERVICES BLOCK GRANT PROGRAM

HHS Should Improve Oversight by Focusing Monitoring and Assistance Efforts on Areas of High Risk

Why GAO Did This Study

The Community Services Block Grant (CSBG) provided over \$600 million to states in fiscal year 2005 to support over 1,000 local antipoverty agencies. The Department of Health and Human Services's (HHS) Office of Community Services (OCS) is primarily responsible for overseeing this grant; states have oversight responsibility for local agencies.

At the request of Congress, GAO is providing information on (1) HHS's compliance with federal laws and standards in overseeing states, (2) five states' efforts to monitor local agencies, and (3) federal CSBG training and technical assistance funds targeted to local agencies with problems and the results of the assistance. States were selected based on varying numbers of local agencies and grant amounts and recommendations from associations, among other criteria.

What GAO Recommends

GAO recommends that the Assistant Secretary for Children and Families direct OCS to conduct a risk-based assessment of state CSBG programs, have policies and procedures to help ensure monitoring focuses on states with the highest risk, issue guidance on state monitoring requirements and training and technical assistance reporting, and implement a strategic plan to guide its training and technical assistance efforts. The agency agreed with our recommendations and has made plans to address them.

www.gao.gov/cgi-bin/getrpt?GAO-06-627.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Marnie S. Shaul at (202) 512-7215 or shaulm@gao.gov.

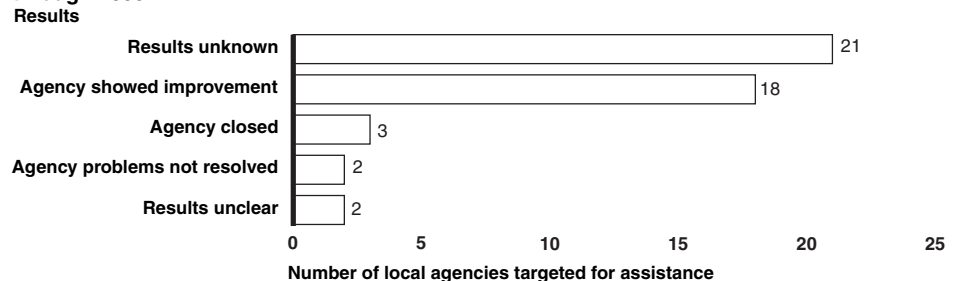
What GAO Found

In a February 2006 letter (GAO-06-373R), GAO notified OCS that it lacked effective policies, procedures, and controls to help ensure that it fully met legal requirements for monitoring states and internal control standards. At that time, GAO also offered recommendations for improvements. OCS has responded that it intends to take actions to address each of those recommendations. In addition, GAO found that OCS did not routinely collect key information, such as results of state monitoring reports, or systematically use available information, such as state performance data, to assess the states' CSBG management risks and target monitoring efforts to states with the highest risk.

All five states we visited conducted on-site monitoring of local agencies with varying frequency and performed additional oversight efforts. Two state offices visited each local agency at least once between 2003 and 2005, while the other three states visited local agencies less frequently. State officials we visited had different views on what they must do to meet the statutory requirement to visit local agencies at least once during each 3-year period, and OCS has not issued guidance interpreting this requirement. Officials in all five states also provided oversight in addition to monitoring through such activities as reviewing reports and coordinating with other federal and state programs.

OCS targeted some training and technical assistance funds to local grantees with financial or management problems, but information on the results of this assistance is limited. In fiscal years 2002 through 2005, OCS designated between \$666,000 and \$1 million of its annual \$10 million training and technical assistance funds to local agencies with problems, but had no process for strategically allocating these funds to areas of greatest need. In addition, the final reports on awarded grants indicated that some local agencies had improved, but the reports provided no information on the outcomes of assistance for nearly half of the 46 local agencies that GAO identified as being served. See figure below.

Results of Assistance to 46 Local Agencies as Reported by Grantees, Fiscal Years 2002 through 2005



Source: GAO analysis of grantee progress reports.